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BIDEN: China's Growing Engagement in Africa Presents Both Opportunities and Challenges

Washington, DC – Chairman of the Senate Foreign Relations Committee **Joseph R. Biden, Jr. (D-DE)** entered a statement for the record at this morning's Sub-Committee on African Affairs hearing entitled "*China in Africa: Implications for U.S. Policy.*" This hearing is the second in a planned series of hearings examining China's growing global role. In the coming months, the Committee will continue to examine U.S.-China relations in the context of China's re-emergence as a great power, with hearings focused on the economic relationship, China's growing "soft power" in Asia, Africa, and Latin America, and China's internal economic, political, social, and environmental challenges.

Last month, the Congressional Research Service released a comprehensive study commissioned by Sen. Biden that takes stock of China's soft power and its implications for U.S. interests and those of our friends and allies. The study highlights both the challenges and opportunities of China's re-emergence as a great power.

The full text of Sen. Biden's statement for the record is below.

"Today the Sub-Committee on African Affairs of the Senate Foreign Relations Committee examines China's growing engagement with sub-Saharan Africa and its implications for U.S. policy. This hearing is a part of a series that the Foreign Relations Committee is holding to examine China's emergence as a major power not only in Asia, but also in Africa and Latin America. Future hearings will examine the U.S.-China bilateral economic relationship, China's internal political development, and other issues related to China's growing soft and hard power.

China Invests in Africa

"China's rapid economic growth has spurred a global search for markets for Chinese exports and for the raw materials to sustain China's economic development. Chinese firms have been especially aggressive seeking energy resources to meet the nation's mounting demand for oil. Nowhere is this more evident than in Africa.

"According to a recent Congressional Research Service study on China's "soft power" requested by the Foreign Relations Committee, China's imports from Africa are concentrated both in form and geographically. China mostly imports raw commodities – oil, iron ore, raw timber, cotton, and diamonds. Moreover, China conducts the vast majority of its Africa trade (almost 90%) with just seven countries (most of them rich in oil, ore, and diamonds) – Angola, South Africa, Sudan, Republic of Congo, Equatorial Guinea, Gabon, and Nigeria.

“As China has scoured Africa for markets and resources, it has used soft credit, foreign assistance, investment, and security assistance (including both peacekeeping missions and arms sales) as tools to win influence. Although precise figures are hard to get, because China does not have a transparent foreign aid and security assistance structure, Chinese foreign aid to African nations runs somewhere in the neighborhood of \$500 million/year. But this figure does not include various forms of assistance, including soft loans and state-funded development projects. The total aid package more likely is in the range of \$1.5 billion per year, and Chinese President Hu Jin-tao has promised to double the 2006 foreign aid level for African nations by 2009.

Keeping China's stake in perspective

“Still, it is important to put China's overall economic position in Africa, including its foreign assistance posture, in perspective. In 2006, China imported \$26 billion in goods and services from sub-Saharan Africa, while the United States imported \$59 billion. The United States imported \$45 billion worth of oil from African states in 2006, compared with \$19 billion for China. As for exports, in 2006 China exported \$19 billion in goods and services to sub-Saharan Africa, compared with \$12 billion in U.S. exports to the region.

“With respect to development assistance, in 2006, the United States provided roughly \$5 billion in aid to sub-Saharan African states. The United Kingdom and the European Union provided \$4.7 and \$3.5 billion, respectively. Japan provided more than \$2.5 billion. In sum, the major OECD donors provided more than \$20 billion in aid to Africa, compared with less than \$2 billion from China.

“All of this suggests to me that when considering the impact of China's growing economic and political ties to Africa, we should not overlook our own considerable stake in the continent, and that of our close friends and allies.

Challenges and opportunities

“China's growing engagement in Africa presents both opportunities and challenges for the United States.

“On the plus side, China's investments and burgeoning trade are helping to fuel strong growth in several African states, bringing improvements in infrastructure and quality of life to millions and bringing more energy resources into the international marketplace. China is pursuing a comprehensive engagement strategy under the umbrella of the Forum on China-Africa Cooperation, inaugurated in October 2000 in Beijing during a summit gathering of 45 African leaders. With the urging of African leaders, China is making significant investments in healthcare, human resource development, and agriculture. Chinese peacekeepers serve in almost every UN mission in Africa, including in Darfur, Sudan, where China is the only non-African nation to contribute forces.

“On the negative side, China's “no strings attached” attitude about foreign assistance has sometimes undermined efforts by the United States and other members of the international community to tie assistance to improvements in governance, protection of human rights, anti-corruption initiatives, and the adoption of more sustainable environmental policies. This is particularly true in nations such as Angola, now China's second largest supplier of oil after Saudi Arabia. Worse, China's business ties and sales of military equipment to the governments of Sudan and Zimbabwe directly contribute to the ability of these states to perpetrate atrocities against their own people. China's reluctance to criticize these governments for their human rights abuses puts China out of step with much of the international community and at odds with U.S. and European Union sanctions.

“Which brings me to one of the core questions that I hope our witnesses can address during today's hearing: how can the United States convince China to become a more responsible “stakeholder” in Africa, supporting, rather than undermining, international efforts to advance good governance and respect for human rights? Must China learn the hard way, as the United States did in Iran with the overthrow of the Shah, that there is often a

heavy cost to be paid down the road if one ignores questions of human rights and good governance in the pursuit of oil? Or might we be able to bring China around by sharing our own experiences and urging China to join in our efforts?

“I look forward to reviewing the testimony of our witnesses.”

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